

Best Information Available

We have determined, in accordance with section 776(c) of the Act (19 U.S.C. 1677e(c)), that the use of best information available (BIA) is appropriate for sales of the subject merchandise in this investigation. In deciding whether to use BIA, section 776(c) provides that the Department shall use BIA when a respondent refuses to produce information requested in a timely manner and in the form required. In this case, exporters of OCTG from Japan declined to respond to our requests for information.

In determining what to use as BIA, the Department follows a two-tiered methodology, whereby the Department normally assigns lower margins to those respondents who cooperate in an investigation, and margins based on more adverse assumptions for those respondents who do not cooperate in an investigation. Given that neither Nippon nor Sumitomo responded to the Department's questionnaire, we find that they have not cooperated in this investigation. In accordance with our BIA methodology for uncooperative respondents, we have assigned these non-responsive companies the highest margin alleged in the petition (see, Antifriction Bearings (Other Than Tapered Roller Bearings) and Parts Thereof From the Federal Republic of Germany: Final Determination of Sales at Less Than Fair Value (54 FR 18992, 19033, May 3, 1989)).

The Department's two-tier methodology for assigning BIA based on the degree of the respondents' cooperation has been upheld by the U.S. Court of Appeals for the Federal Circuit (see *Allied-Signal Aerospace Co. v. the United States*, Slip Op. 93-1049 (Fed Cir. June 22, 1993); see also *Krupp Stahl AG. et. al. v. the United States*, Slip Op. 93-84 (CIT May 26, 1993)).

Suspension of Liquidation

In accordance with section 733(d)(1) of the Act (19 U.S.C. 1673b(d)(1)), we are directing the Customs Service to suspend liquidation of all entries of OCTG from Japan, as defined in the "Scope of Investigation" section of this notice, that are entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the **Federal Register**. The Customs Service shall require a cash deposit or posting of a bond equal to the estimated preliminary dumping margin, as shown below. The suspension of liquidation will remain in effect until further notice.

Weighted-Average	Manufacturer/Producer/Exporter Margin Percent
Nippon Steel Corporation	44.20
Sumitomo Metal Industries, Ltd.	44.20
All Others	44.20

Postponement of Final Determination

As stated above, both Sumitomo and Nippon requested that the Department postpone the final determination. We find no compelling reason to deny these requests. Accordingly, we are postponing the date of the final determination until not later than 135 days after the date of publication of this notice in the **Federal Register**.

ITC Notification

In accordance with section 733(f) of the Act (19 U.S.C. 1673b(f)), we have notified the ITC of our preliminary determination.

If our final determination is affirmative, the ITC will determine whether these imports are materially injuring, or threaten material injury to, the U.S. industry before the later of 120 days after the date of this preliminary determination or 45 days after our final determination.

Public Comment

In accordance with 19 CFR 353.38, case briefs or other written comments in at least ten copies must be submitted to the Assistant Secretary for Import Administration by no later than April 21, 1995, and rebuttal briefs by no later than April 28, 1995. We request that parties in this case provide an executive summary of no more than two pages in conjunction with case briefs on the major issues to be addressed. Further, briefs should contain a table of authorities. Citations to Commerce determinations and court decisions should include the page number where cited information appears. In preparing the briefs, please begin each issue on a separate page. In accordance with 19 CFR 353.38(b), we will hold a public hearing, if requested, to give interested parties an opportunity to comment on arguments raised in case or rebuttal briefs. Tentatively, the hearing will be held on May 3, 1995, at 10:00 a.m. at the U.S. Department of Commerce, Room 1414, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230. Parties should confirm by telephone, the time, date, and place of the hearing 48 hours before the scheduled time.

Interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Import Administration, U.S. Department of

Commerce, Room B-099, within ten days of the publication of this notice in the **Federal Register**. Requests should contain: (1) The party's name, address, and telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. In accordance with 19 CFR 353.38(b), oral presentations will be limited to issues raised in the briefs.

This notice is published pursuant to section 733(f) of the Act (19 U.S.C. 1673b(f)) and 19 CFR 353.15(a)(4).

Dated: January 25, 1995.

Paul L. Joffe,

Deputy Assistant Secretary for Import Administration.

[FR Doc. 95-2613 Filed 2-1-95; 8:45 am]

BILLING CODE 3510-DS-P

[A-580-825]

Preliminary Determination of Sales at Less Than Fair Value and Postponement of Final Determination: Oil Country Tubular Goods From Korea

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

EFFECTIVE DATE: February 2, 1995.

FOR FURTHER INFORMATION CONTACT: John Beck or Jennifer Stagner, Office of Antidumping Investigations, Import Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue NW., Washington, DC 20230; telephone (202) 482-3464 or (202) 482-1673, respectively.

Preliminary Determination

We preliminarily determine that oil country tubular goods (OCTG) from Korea are being, or are likely to be, sold in the United States at less than fair value, as provided in section 733(b) of the Tariff Act of 1930, as amended (the Act). The estimated margins are shown in the "Suspension of Liquidation" section of this notice.

Case History

Since the initiation of this investigation on July 20, 1994 (59 FR 37962, July 26, 1994), the following events have occurred.

On August 15, 1994, the U.S. International Trade Commission (ITC) issued an affirmative preliminary determination.

On August 26, 1994, the Department determined that Hyundai Steel Pipe Company, Ltd. (HSP) and Union Steel Manufacturing Company, Ltd. (Union), Korean exporters of the subject merchandise, were the appropriate recipients of the antidumping duty questionnaire. These two companies

accounted for at least 60 percent of exports of OCTG from Korea during the period of investigation.

On August 26, 1994, the Department sent antidumping duty questionnaires to HSP and Union pursuant 19 CFR 353.42(b)(1). On September 9, 1994, Union informed the Department that it would not be responding to the Department's questionnaire due to resource constraints.

The Department received HSP's questionnaire responses in September and October 1994 and in January 1995. The Department received deficiency questionnaire responses in October and November 1994.

On September 29, 1994, the Department determined that HSP's home market was not viable within the meaning of 773(a)(1)B of the Act and 19 CFR 353.48 and that Canada was the appropriate third-country market for this investigation.

On October 17, 1994, and November 3, 1994, the petitioners alleged that HSP was selling OCTG to Canada at less than its cost of production (COP). On November 28, 1994, the Department initiated a COP investigation against HSP (see the November 28, 1994, memorandum from Richard W. Moreland to Barbara R. Stafford).

On November 10, 1994, Maverick Tube Corp., Bellville Tube Corp., and IPSCO Steel Pipe Inc. (the petitioners), made a timely request that the Department postpone the preliminary determination in accordance with section 733(c)(1) of the Act (19 U.S.C. 1673b(c)(1)), and 19 CFR 353.15(c). We did so on November 15, 1994 (59 FR 60130, November 22, 1994).

On January 12, 1995, HSP requested that the final determination be postponed in accordance with 19 CFR 353.20(b) in the event of an affirmative preliminary determination.

Scope of Investigation

For purposes of this investigation, OCTG are hollow steel products of circular cross-section, including oil well casing, tubing, and drill pipe, of iron (other than cast iron) or steel (both carbon and alloy), whether seamless or welded, whether or not conforming to American Petroleum Institute (API) or non-API specifications, whether finished or unfinished (including green tubes and limited service OCTG products). This investigation does not cover casing, tubing, or drill pipe containing 10.5 percent or more of chromium. The OCTG subject to this investigation is currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under item numbers:

7304.20.10.00, 7304.20.10.10, 7304.20.10.20, 7304.20.10.30, 7304.20.10.40, 7304.20.10.50, 7304.20.10.60, 7304.20.10.80, 7304.20.20.00, 7304.20.20.10, 7304.20.20.20, 7304.20.20.30, 7304.20.20.40, 7304.20.20.50, 7304.20.20.60, 7304.20.20.80, 7304.20.30.00, 7304.20.30.10, 7304.20.30.20, 7304.20.30.30, 7304.20.30.40, 7304.20.30.50, 7304.20.30.60, 7304.20.30.80, 7304.20.40.00, 7304.20.40.10, 7304.20.40.20, 7304.20.40.30, 7304.20.40.40, 7304.20.40.50, 7304.20.40.60, 7304.20.40.80, 7304.20.50.10, 7304.20.50.15, 7304.20.50.30, 7304.20.50.45, 7304.20.50.50, 7304.20.50.60, 7304.20.50.75, 7304.20.60.10, 7304.20.60.15, 7304.20.60.30, 7304.20.60.45, 7304.20.60.50, 7304.20.60.60, 7304.20.60.75, 7304.20.70.00, 7304.20.80.00, 7304.20.80.30, 7304.20.80.45, 7304.20.80.60, 7305.20.20.00, 7305.20.40.00, 7305.20.60.00, 7305.20.80.00, 7306.20.10.30, 7306.20.10.90, 7306.20.20.00, 7306.20.30.00, 7306.20.40.00, 7306.20.60.10, 7306.20.60.50, 7306.20.80.10, and 7306.20.80.50.

Although the HTSUS subheadings are provided for convenience and customs purposes, our written description of the scope of this investigation is dispositive.

Period of Investigation

The period of investigation (POI) is January 1, 1994, through June 30, 1994.

Applicable Statute and Regulations

Unless otherwise indicated, all citations to the Statute and to the Department's regulations are in reference to the provisions as they existed on December 31, 1994.

Best Information Available

We have determined, in accordance with section 776(c) of the Act (19 U.S.C. 1677e(c)), that the use of best information available (BIA) is appropriate for sales of the subject merchandise by Union. In deciding whether to use BIA, section 353.37(b) provides that the Department may take into account whether a party refused or was unable to produce information in a timely manner. In this case, Union refused to provide the information requested.

In determining what to use as BIA, the Department follows a two-tiered methodology whereby the Department normally assigns lower margins to those respondents who cooperate in an investigation, and margins based on more adverse assumptions for those

respondents who do not cooperate in an investigation.

In this case, because Union failed to respond to the Department's questionnaire, we find that it has not cooperated in this investigation. Accordingly, under our BIA methodology, uncooperative respondents are assigned the higher of the highest margin alleged in the petition or the highest rate calculated for another respondent. In this instance, we are assigning the highest margin among the margins alleged in the petition (see, Antifriction Bearings (Other Than Tapered Roller Bearings) and Parts Thereof From the Federal Republic of Germany: Final Determination of Sales at Less Than Fair Value (54 FR 18992, 19033, May 3, 1989)). The Department's two-tier methodology for assigning BIA based on the degree of the respondents' cooperation has been upheld by the U.S. Court of Appeals for the Federal Circuit (see *Allied-Signal Aerospace Co. v. the United States*, Slip Op. 93-1049 (Fed. Cir. June 22, 1993); see also *Krupp Stahl AG. et al v. the United States*, Slip Op. 93-84 (CIT May 26, 1993)).

Such or Similar Comparisons

We have determined for purposes of the preliminary determination that the OCTG covered by this investigation comprises a single category of "such or similar" merchandise within the meaning of section 771(16) of the Act. All comparisons of U.S. to third-country sales involved identical merchandise.

Fair Value Comparisons

To determine whether HSP's sales of OCTG from Korea to the United States were made at less than fair value, we compared the United States price (USP) to the foreign market value (FMV), as specified in the "United States Price" and "Foreign Market Value" sections of this notice.

United States Price

We based USP on exporter's sales price (ESP), in accordance with section 772(c) of the Act, because the subject merchandise was sold to the first unrelated purchaser after importation into the United States.

We calculated ESP based on packed, ex-U.S. warehouse prices to unrelated customers in the United States. We made deductions from gross unit price, where appropriate, for foreign brokerage charges, foreign inland freight, ocean freight, marine insurance, U.S. duty, U.S. inland freight, U.S. brokerage, wharfage fees, credit expense, and U.S. and foreign indirect selling expenses, including inventory carrying costs and

other U.S. and foreign indirect selling expenses. We added duty drawback in accordance with section 772(d)(1)(B) of the Act.

Foreign Market Value

We compared the volume of home market sales of subject merchandise to the volume of third-country sales to determine whether there was a sufficient volume of sales in the home market to serve as a viable basis for calculating FMV, in accordance with section 773(a)(1)(B) of the Act. Pursuant to 19 CFR 353.48, we found that the home market was not viable because it represented less than five percent of the amount sold to third countries. We, therefore, based FMV on third-country sales. We selected Canada as the third-country market because Canada was the only third country to which HSP sold the subject merchandise and the sales to this market were greater than five percent of the sales made to the United States.

Cost of Production Analysis

As stated above, based on the petitioners' allegation that HSP was selling OCTG in Canada at prices below its COP, the Department initiated a COP investigation.

In order to determine whether the third-country prices were above HSP's COP, we calculated the COP based on the sum of HSP's cost of materials, fabrication, general expenses, and packing, in accordance with section 353.51(c). We accepted HSP's cost data for purposes of the preliminary determination.

Results of COP Analysis

Under our standard practice, where we find that less than 10 percent of a company's sales are at prices below the COP, we disregard any below-cost sales because that company's below-cost sales were not made in substantial quantities. Where we find between 10 and 90 percent of the company's sales of a given product were at prices below the COP, and the below cost sales were made over an extended period of time, we disregard only the below-cost sales. Where we find that more than 90 percent of the company's sales were at prices below the COP, and the sales were made over an extended period of time, we disregard all sales for that product and calculate FMV based on constructed value (CV).

In accordance with section 773(b)(1) of the Act, in order to determine whether below-cost sales were made over an extended period of time, we compare the number of months in which below-cost sales occurred for

each product to the number of months in the POI in which that product was sold. If a product was sold in three or more months of the POI, we do not exclude below-cost sales unless there were below-cost sales in at least three months during the POI. When we find that sales of a product only occurred in one or two months, the number of months in which the sales occurred constituted the extended period of time; i.e., where sales of a product were made in only two months, the extended period of time was two months, where sales of a product were made in only one month, the extended period of time was one month (see the Preliminary Results and Partial Termination of Antidumping Duty Administrative Review: Tapered Roller Bearings, Four Inches or Less in Outside Diameter, and Components Thereof, From Japan (58 FR 69336, 69338, December 10, 1993).

Based on this preliminary analysis, none of HSP's Canadian sales were found to be below cost. Accordingly, we calculated FMV based on C&F prices to unrelated customers in Canada. We made deductions from gross unit price for foreign brokerage charges, foreign inland freight, ocean freight, other expenses and credit expense. In addition, we deducted indirect selling expenses, including, where appropriate, inventory carrying costs and other indirect selling expenses, up to the amount of indirect selling expenses incurred on U.S. sales, in accordance 19 CFR 353.56(b)(2). We deducted third-country packing costs and added U.S. packing costs. Finally, we added duty drawback.

Currency Conversion

Pursuant to 19 CFR 353.60, we made currency conversions based on the official exchange rates in effect on the dates of the U.S. sales as certified by the Federal Reserve Bank.

Verification

As provided in section 776(b) of the Act, we will verify the information used in making our final determination.

Suspension of Liquidation

In accordance with section 733(d)(1) (19 U.S.C. 1673b(d)(1)), of the Act, we are directing the Customs Service to suspend liquidation of all entries of OCTG from Korea, as defined in the "Scope of Investigation" section of this notice, that are entered, or withdrawn from warehouse, for consumption on or after the date of publication of this notice in the **Federal Register**.

The Customs Service shall require a cash deposit or posting of a bond equal to the estimated preliminary dumping

margin, as shown below. The suspension of liquidation will remain in effect until further notice.

Producer/Manufacturer/Exporter	Margin percentage
Hyundai Steel Pipe Company, Ltd. ..	00.00
Union Steel Manufacturing Company	12.17
All Others	12.17

Postponement of Final Determination

On January 12, 1995, in accordance with 19 CFR 353.20(b), HSP requested that, in the event of an affirmative determination, the Department postpone the final determination. We find no compelling reason to deny the request. Accordingly, we are postponing the date of the final determination until not later than 135 days after the date of publication of this notice.

ITC Notification

In accordance with section 733(f) of the Act, we have notified the ITC of our preliminary determination.

If our final determination is affirmative, the ITC will determine whether these imports are materially injuring, or threaten material injury to, the U.S. industry before the later of 120 days after the date of this preliminary determination or 45 days after our final determination.

Public Comment

In accordance with 19 CFR 353.38, case briefs or other written comments in at least ten copies may be submitted by any interested party to the Assistant Secretary for Import Administration no later than April 21, 1995, and rebuttal briefs no later than April 28, 1995. We request that parties in this case provide an executive summary of no more than two pages in conjunction with case briefs on the major issues to be addressed. Further, briefs should contain a table of authorities. Citations to Commerce determinations and court decisions should include the page number where cited information appears. In preparing the briefs, please begin each issue on a separate page. In accordance with 19 CFR 353.38(b), we will hold a public hearing, if requested, to give interested parties an opportunity to comment on arguments raised in case or rebuttal briefs. Tentatively, the hearing will be held on May 3, 1995, at 10:00 a.m. at the U.S. Department of Commerce, Room 1851, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230. Parties should confirm the time, date, and place of the hearing 48 hours before the scheduled time.

Interested parties who wish to request a hearing must submit a written request to the Assistant Secretary for Import Administration, U.S. Department of Commerce, Room B-099, within ten days of the publication of this notice in the **Federal Register**. Requests should contain: (1) The party's name, address, telephone number; (2) the number of participants; and (3) a list of the issues to be discussed. In accordance with 19 CFR 353.38(b), oral presentations will be limited to the issues raised in the briefs.

This determination is published pursuant to section 733(f) of the Act (19 U.S.C. 1673b(f)) and 19 CFR 353.15(a)(4).

Dated: January 26, 1995.

Susan G. Esserman,

Assistant Secretary for Import Administration.

[FR Doc. 95-2614 Filed 2-1-95; 8:45 am]

BILLING CODE 3510-DS-P

[A-201-817]

Preliminary Determination of Sales at Not Less Than Fair Value: Oil Country Tubular Goods From Mexico

AGENCY: Import Administration, International Trade Administration, Department of Commerce.

EFFECTIVE DATE: February 2, 1995.

FOR FURTHER INFORMATION CONTACT: Jennifer Stagner or John Beck, Office of Antidumping Investigations, Import Administration, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, N.W., Washington, D.C. 20230; telephone (202) 482-1673 and (202) 482-3464, respectively.

Preliminary Determination

The Department preliminarily determines that oil country tubular goods (OCTG) from Mexico are not being sold in the United States at less than fair value, as provided in section 733(b) of the Tariff Act of 1930, as amended (the Act). We have calculated a preliminary margin of zero percent for Mexican OCTG sold in the United States during the period of investigation.

Case History

Since the initiation of this investigation on July 20, 1994, (59 FR 37962, July 26, 1994), the following events have occurred.

On August 15, 1994, the U.S. International Trade Commission (ITC) issued an affirmative preliminary determination.

On August 26, 1994, based on statements from the petitioner and

information from Metal Bulletin Books, Ltd., Iron and Steel Works of the World (10th ed. 1991), the Department issued a full antidumping questionnaire to Tubos de Acero de Mexico, S.A. (TAMSA). Additionally, the Department issued antidumping surveys to three other potential respondents: Tubacero S.A. de C.V. and Hylsa, S.A. de C.V. on August 26, 1994; and, Villacero Tuberia Nacional, S.A. de C.V. on September 1, 1994.

On September 27, 1994, the Department determined that TAMSA would be the sole mandatory respondent (see the September 27, 1994, memorandum from David L. Binder to Richard W. Moreland). TAMSA accounts for at least 60 percent of exports of OCTG from Mexico during the period of investigation.

The Department received initial questionnaire responses in September, October, and November 1994, and deficiency responses in November and December 1994.

On November 3, 1994, the Department determined that TAMSA's home market was not viable within the meaning of section 773(a)(1)(B) of the Act and 19 CFR 353.48 and that Saudi Arabia was the appropriate third country market for this investigation (see the November 3, 1994, memorandum from David L. Binder to Richard W. Moreland). This decision was predicated on the decision not to expand the period of investigation to include home market sales made pursuant to long-term contracts (see the November 3, 1994, memorandum from Richard W. Moreland to Barbara R. Stafford).

On November 10, 1994, North Star Steel Ohio (the petitioner) timely requested that the Department postpone the preliminary determination in accordance with section 733(c)(1) of the Act (19 U.S.C. 1673b(c)(1)) and 19 CFR 353.15(c). We did so on November 15, 1994, (59 FR 60130, November 22, 1994).

On November 29, 1994, the petitioner submitted an allegation of sales at prices below the cost of production (COP) based on TAMSA's sales to Saudi Arabia. The Department initiated a COP investigation on December 22, 1994 (see the December 22, 1994, memorandum from Gary Taverman to Barbara R. Stafford). On December 28, 1994, the Department sent a section D questionnaire to the respondent. However, due to time constraints, we have not been able to use the section D questionnaire response in our preliminary determination.

On December 16, 1994, in accordance with 19 CFR 353.20(b), TAMSA requested that, in the event of an

affirmative preliminary determination by the Department, the Department postpone the final determination. However, because this preliminary determination is negative, the criteria for a postponement of the final determination under 19 CFR 353.20(b)(1) have not been met. Accordingly, the final determination has not been postponed.

Scope of Investigation

For purposes of this investigation, OCTG are hollow steel products of circular cross-section, including oil well casing, tubing, and drill pipe, of iron (other than cast iron) or steel (both carbon and alloy), whether seamless or welded, whether or not conforming to American Petroleum Institute (API) or non-API specifications, whether finished or unfinished (including green tubes and limited service OCTG products). This investigation does not cover casing, tubing, or drill pipe containing 10.5 percent or more of chromium. The OCTG subject to this investigation are currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under item numbers:

7304.20.10.00, 7304.20.10.10, 7304.20.10.20, 7304.20.10.30, 7304.20.10.40, 7304.20.10.50, 7304.20.10.60, 7304.20.10.80, 7304.20.20.00, 7304.20.20.10, 7304.20.20.20, 7304.20.20.30, 7304.20.20.40, 7304.20.20.50, 7304.20.20.60, 7304.20.20.80, 7304.20.30.00, 7304.20.30.10, 7304.20.30.20, 7304.20.30.30, 7304.20.30.40, 7304.20.30.50, 7304.20.30.60, 7304.20.30.80, 7304.20.40.00, 7304.20.40.10, 7304.20.40.20, 7304.20.40.30, 7304.20.40.40, 7304.20.40.50, 7304.20.40.60, 7304.20.40.80, 7304.20.50.10, 7304.20.50.15, 7304.20.50.30, 7304.20.50.45, 7304.20.50.50, 7304.20.50.60, 7304.20.50.75, 7304.20.60.10, 7304.20.60.15, 7304.20.60.30, 7304.20.60.45, 7304.20.60.50, 7304.20.60.60, 7304.20.60.75, 7304.20.70.00, 7304.20.80.00, 7304.20.80.30, 7304.20.80.45, 7304.20.80.60, 7305.20.20.00, 7305.20.40.00, 7305.20.60.00, 7305.20.80.00, 7306.20.10.30, 7306.20.10.90, 7306.20.20.00, 7306.20.30.00, 7306.20.40.00, 7306.20.60.10, 7306.20.60.50, 7306.20.80.10, and 7306.20.80.50.

Although the HTSUS subheadings are provided for convenience and customs purposes, our written description of the scope of these investigations is dispositive.